

million in higher taxes on Social Security benefits for the senior citizens in my district alone.

Well, that family, as well as others, they have seen their taxes go up, and they have not seen any results in reduction of the deficit or long-term discipline over controlling Congress' historic ability to overspend. They want to be able to afford to go to work and take care of their families' needs, and they want to be able to live comfortably in retirement. They want Congress, they told me tonight, to have Congress to have the discipline and the confidence to cut spending and to oppose higher taxes and, at the same time, protect Social Security.

Today with the passage of the Flanagan resolution, this Congress is on record saying that Social Security is off the table.

THE BALANCED BUDGET AMENDMENT

The SPEAKER pro tempore (Mr. GEKAS). Under a previous order of the House, the gentleman from Texas [Mr. BARTON] is recognized for 60 minutes.

Mr. BARTON of Texas. I yield to the gentleman from Illinois.

Mr. WELLER. Well, you know, thank you. I would like very much to thank the gentleman from Texas for your hard-fought long effort historically to bring this initiative to the floor of the House for debate, and you have worked long and hard to bring a tax-limitation balanced budget amendment, and I just want you to know the phone calls that I have been receiving in my office here in Washington tonight from the taxpayers in my district, they are calling. I had six calls tonight.

Mr. BARTON of Texas. I, too, have received a number of telephone calls, and I had a constituent call my office in Texas today and said, "We want Congressman BARTON to vote for that Barton three-fifths tax-limitation amendment." And my receptionist said, "Well, he is the named sponsor." He said, "Well, you just tell him if he does not vote for it, he is not going to get my vote next year." She said, "Well, I think you can expect the Congressman to vote for his own amendment."

But there may be some people in this Chamber that want to make a phone call to their Congressman and do not know the phone number. The number, if anybody in the Chamber would like to make such a phone call tomorrow, is area code 202, 224-3121, and then just ask for their Congressman, Congressman BARTON, Congressman FORBES, Congressman WELLER, you know, whoever your Congressman happens to be, and you will be put through, and since the vote is going to be at about 11, 11:30, Eastern time tomorrow, those phone calls should come in earlier. If Congressman FORBES wanted to call his own office, he would need to do that before 11:30 tomorrow morning.

I yield back to the gentleman from Illinois.

Mr. WELLER. You are absolutely right. You know, there is nothing I value more than hearing from the folks that I have the privilege of representing, and when I know that I get 10 phone calls from the taxpayers in my district, I recognize that they probably represent a total of 100 voters who agree with them and just did not take the time to make the telephone call. So those telephone calls, I know, are extremely important and, you know, one of the questions that a caller told me tonight is that they say, you know, the Republicans are in the majority now. It is going to be an easy sell. You are going to be able to pass that, are you not? I said, "Well, you realize it takes a supermajority to pass a constitutional amendment like this." We need a bipartisan vote. We need, if every Republican votes for this, we need over 60 Democrats to support us, and I said, "You know, if you have friends that know Democratic Members of Congress that they should call them and support the balanced budget amendment."

It is so very important that they make calls, and I certainly made that point, and again, I want to thank my colleague for his leadership on this issue. It is so important that we give Congress the discipline, the backbone to balance the budget and to resist the temptation to go back to the old ways which is always to raise taxes.

I served in the legislature for the last 6 years in Illinois. We were fortunate to have a balanced budget provision in the State constitution. That was effective in giving those of us who wanted to balance the books the backbone, the discipline, to get the job done before we went home.

However, my State is one of those that unfortunately does not have what we call the tax accountability amendment, and we are still trying to do that in Illinois, which would require a three-fifths vote. We know if you require a three-fifths vote to pass a tax increase, those who would like to push a tax increase know it is going to be much more difficult, and the obvious solution is to cut spending.

Congress needs that discipline. I am proud to cosponsor the Barton amendment, the tax-limitation balanced budget amendment, in the Contract with America, and I certainly am proud to join with you tonight and participate in tonight's discussion on this important initiative which frankly is a historic change on how Washington works.

Mr. BARTON of Texas. I yield to the gentleman from New York if he sought time.

Mr. FORBES. I thank the gentleman. I would say that it is startling to me to listen to this experiment that they had in Arizona, if you will, the notion that they went forward and did the responsible thing, but they did not hold the taxes, and the people of Arizona

unfortunately were the recipients of some bad policy that hurt them over the years, and my concern here is that our Federal taxpayers, our folks back home, understand the urgency of getting to the phones and making sure that Members of Congress understand that they want Congress, while they want them to balance the budget, they do not want them to take the easy way out and increase spending and that they want a balanced budget amendment that does put a lid on the ability to raise taxes.

I know the people on Long Island, we have amongst the highest taxes in the Nation. We have the highest property taxes and sales taxes and Federal taxes to boot, and it is tough on the people of Long Island and our economy is still very shaky there, and people are struggling to hold onto their jobs, and many people do not have jobs. They are looking for them.

The difficulty is to think that you have a Federal Government that just does not quite get it and continues to grow at alarming rates, and the need, I think, across America is understood, the need for a balanced budget amendment, and most particularly the need again, and I cannot stress it enough, the need to make sure that it is a balanced budget that does put a lid on this Congress' ability to just wantonly raise taxes.

□ 2210

Mr. BARTON of Texas. I thank the gentleman from New York and I yield to the gentleman from Indiana.

Mr. SOUDER. I thank the gentleman from Texas.

Mr. Speaker, I have a question. The gentleman from New York [Mr. FORBES] and myself have served as staffers in the other body and have some healthy skepticism. The gentleman from Texas [Mr. BARTON] as a Member maybe could enlighten us a bit. Under the balanced budget amendment, and part of the reason I am sure the gentleman has his tax limitation supermajority in it, is it not possible to have a category that would say with waste and fraud as a deficit reduction?

Mr. BARTON of Texas. In my town meetings, and I am sure as the gentleman begins to do his town meetings, his constituents are going to come and demand that he cut out that waste, fraud, and abuse and cut out pork-barrel spending. The gentleman would say that he will do it and he is going to be a bulldog to do it. The problem is there is no line in the Federal Government's budget that says waste, fraud, and abuse. When you get to a specific program and you say, "Mr. Director, can you tell me where the waste, fraud, and abuse is, in your particular program?" And the director is going to say, "Congressman, there is no waste, fraud, and abuse in my program."

Now, I was a White House Fellow at the Department of Energy in 1981, part of 1982, and was a staff liaison to the Grace Commission that President

Reagan empowered to look for waste, fraud, and abuse in the executive branch of the Federal Government. One of my jobs was to look at all the committees that Department of Energy officials served on. It turned out there were over 300 standing committees that either the Secretary of Energy, Deputy Secretary of Energy, the Assistant Secretary of Energy served on.

So I sent out a questionnaire to everybody who served on these standing committees. I said, "How often do you meet? What are the subjects? Do you think you can do without this committee?"

Not one Assistant Secretary, Deputy Secretary, or Secretary himself wrote back in response to my question and said that the committee was eliminated and did not need to be established. Some of those committees have never met. They had never met, and yet they were not even willing to disestablish any of these intra-agency committees, Department of Energy, Defense, Department of Commerce.

The bottom line, as the gentleman well knows, is we have simply got to put a disciplinary tool in the Constitution that says, "You shall balance the budget." We need to put in that with it, "You shall balance the budget, with the incentive being cutting spending, not raising taxes." That is why the three-fifths' tax increase is so important.

Mr. SOUDER. Mr. Speaker, I am most concerned that most of the agreements that are made wind up with tax increases because the spending cuts are not real.

Is it possible to give another possibility of how this could evolve? While I think the tax increases could be permanent but the spending cuts never occur, a common tactic is to have an asterisk saying, "Specifics will come at a later date." Is it possible under a balanced budget amendment to do that; that is, to have illusory spending cuts but the tax increases be real?

Mr. BARTON of Texas. Mr. Speaker, in order to answer that, it might be illuminatory to explain how the tax limitation balanced budget amendment is actually structured. Section 1 says that the President shall submit to the Congress a balanced budget and Congress shall vote on a balanced budget. It requires that the actual expenditures and receipts be less than the estimates, it requires that in order to increase receipts, there shall be a three-fifths' vote in both bodies in order to borrow money in any fiscal year and in order to increase the debt ceiling there shall be a three-fifths' vote in both bodies.

There is a section that requires that the Congress shall implement the amendment by the appropriate legislature. There is a section that says the amendment shall become effective in the year 2002, or 2 years after requisite 38 States ratify the amendment.

Every effort has been made to close all the loopholes so that in fact the

President will be submitting a balanced budget, the Congress shall be voting on a balanced budget, the actual numbers during the fiscal year cannot exceed the estimates so the magic asterisk that OMB Director David Stockman used as a Director of the Office of Management and Budget for President Reagan in the early 1980's, the magic asterisk has gone away.

Even the unspecified savings that Director Darman, President Bush's Office of Management and Budget, unspecified, to be determined later—he had over \$300 billion in those types of savings—would go away. Under the leadership of the new chairman of the Committee on the Budget, the gentleman from Ohio [Mr. KASICH] and the distinguished leadership of our new Speaker, and, of course, the Senate majority leader, Senator DOLE from Kansas, we are going to present to the American people a true budget that does move us toward a balanced budget by the year 2002. There will be no budget gimmicks, no magic asterisks, no funny money. This is real, it is serious, it starts tomorrow at approximately 11:30 on this floor in this city when we vote to pass the tax limitation balanced budget amendment and send it to the other body. So people in America can call the U.S. Senate.

Mr. SOUDER. I thank the gentleman for his leadership.

Mr. BARTON of Texas. I yield to the gentleman from Arizona [Mr. SHADEGG], and I see the former member of the Gang of Seven a few Congresses ago is back and loaded for bear and is just brimming to speak in the next 3 to 4 minutes.

I yield to the gentleman from Arizona.

Mr. SHADEGG. I thank the gentleman from Texas, and I will be brief.

You know, as I listened to the discussion tonight, it occurred to me it might be helpful if there was a practical explanation of at least how one Member of this body thinks this provision will work day to day. Let me tie into that how we got into the mess we are in now.

Mr. Speaker I am on this floor for the first time. I am a freshman Member of this Congress. I have not served in any public office before. But I did serve a period of 7 years in the Arizona attorney general's office. Then I was hired to advise the Arizona State Legislature.

I sat in on literally hundreds of meetings in those capacities where a member of the Arizona legislature would be present and a constituent or a group of constituents would come forward and they were well-intended, serious, concerned citizens. And they would come forward and explain to the members of the Arizona legislature their dire need, this severe problem this, unmet problem in society which government could solve. In Arizona it was easy for the citizens to get to their legislature and to go and implore their members of the

legislature to help solve this problem with one little program.

That same scene happens here in Washington thousands of times every day. It happens in your office, I suspect, and in my office and the office of every Member who votes on the floor of this Congress. Constituents come in, lobbying groups come in, organizing groups come in and say, "We have a small problem, but it is serious and it needs your help. We need just a little bit of money. It is not a lot of money, but a little bit to solve this very serious problem," sometimes it affects children, sometimes we say it is going to solve a problem that will pollute our society or pollute our Earth. Whatever the reason is, it is always compelling, whoever the advocate is, he is always sincere and well-intended.

But there is something missing in that conversation.

What is missing is the person of the people who have to pick up the tab. They are not sitting there. I often thought as I sat in on those conversations in the members' offices in the Arizona legislature, why not have one more Chair sitting in that discussion, empty, that says, "The Arizona taxpayer"? We ought to have somebody. We are all talking about lobbyists. The President devoted a great deal of time last night to the pressure of lobbyists.

It occurs to me that the people do not have a lobbyist who sits in on that conversation.

So the pressure is there and no one is sitting in that empty chair that I envisioned, saying, "Wait a minute. Who is going to pay for this?"

Well, a supermajority requirement for future tax increases raising the hurdle so that it is not just 50 percent but rather 60 percent would be a structural change which would put essentially that Chair in the room and say, "It may be a good idea, but somebody has got to pay for it, and you have to go get the assent of just a few more people to do that." It is the kind of discipline we desperately need in this body.

I thank the gentleman. I ask if it is possible to join in this conversation briefly with the gentleman from Illinois, my colleague.

Mr. BARTON of Texas. If the gentleman, the distinguished gentleman from Illinois, requests such time yielded to him as he may require.

□ 2220

Mr. SHADEGG. I would like to ask one quick question. I noted that like Arizona—

Mr. BARTON of Texas. The gentleman from Arizona [Mr. SHADEGG] has to ask the question of me, and then we would yield time to the distinguished gentleman from Illinois [Mr. WELLER]. That is the parliamentary triangle that we have to honor.

Mr. SHADEGG. Then let me honor that tradition and ask the question.

I understood from the gentleman from Illinois [Mr. WELLER] that they

have a balanced budget requirement in their State, but they do not have what Arizona now has, which is a supermajority requirement for future tax increases.

Mr. BARTON of Texas. Would the gentleman from Illinois like to have time to answer that question?

Mr. WELLER. I say to my colleagues, "Thank you, thank you very much. I appreciate this opportunity, and I thank the gentleman from Texas for the opportunity to respond to the gentleman from Arizona's question."

As I pointed out in my little brief conversation with my colleagues a few minutes ago, Illinois is a State, of course a great State, and I am proud to represent the State of Illinois, and we have a balanced budget provision in the Illinois constitution. However it only requires a simple majority to pass tax increases, and I served in the Illinois legislature for 6 years, and during that period of time I was actually involved in the appropriations process where I was involved in the spending end of the State legislature, handling the human service appropriations portion of the State budget. It is about half the State budget. We have a State budget of \$34 billion, 10 percent of what would be called the gross State product, which is a big chunk of the Illinois economy, and we wrestled every year.

Of course we have a balanced budget provision which requires we have to balance our books, and all too often at—towards the end of session or at the beginning of session, if we had a hole in the budget where we knew we were short of dollars, all too often particularly certain special interests, and always representing those who want to spend money, would always say to the legislature, "You know, we really need to do the right thing, and you know the right thing is to raise taxes."

Well, they knew that the so-called right thing to raise taxes, which they always argued for, is the easier way out because I guess, if we look at the history of this Congress, it has always been easier for Congress to raise taxes than it has been to cut spending, and I saw how those pressures worked in the State legislature, and rather than cutting spending the special interests would always say, "Why don't you just raise taxes," because, as the gentleman from Arizona pointed out, the taxpayers are not in the room, and that three-fifths provision is the silent partner that the taxpayers need to have in this room when we debate whether or not we should raise taxes.

And let me tell my colleagues, if we have a three-fifths majority in the Constitution as a requirement to pass a tax increase, there has to be a lot of public support, there has to be a real justification, to get those 290 votes to pass the tax increase, and, had we had that provision in Illinois, I can think—during the period of time that I was in the legislature I can think of about half a dozen tax increases that would

not have been passed on the taxpayers of my State.

I think it is so important that we include the tax limitation provision because not only does it protect the taxpayers' interest, act as a silent partner, but it is a reality check. It is going to require a supermajority. The special interests are going to realize that Congress is going to think twice before they raise taxes.

It is time to protect the taxpayers' pocketbooks.

Mr. BARTON of Texas. I thank the gentleman from Illinois.

I would like to point out that the three-fifths requirement for a tax increase would not mean 290 votes in the House. It would mean 262 votes in the House. It is certainly more than 218—

Mr. WELLER. If the gentleman would yield, that is certainly Illinois math. I apologize. It is the end of the evening I guess.

Mr. BARTON of Texas. I might also point out that those who say all that necessary—the only protection that is necessary is protection of a constitutional majority to pass a tax increase—we have researched in the House, and there has not been a tax increase that passed with a minority vote.

Now there have been some that passed on a voice vote, two in the last 30 years that passed by a voice vote, but if it came to a vote, in every occasion obviously it won by getting a majority vote.

So to say that a constitutional majority is sufficient protection against the tax increase on this floor every time a tax increase is passed by rollcall vote, it has had a majority, and in most cases it has had a constitutional majority, which is 218. A simple majority would be maybe 216, if several people were not voting, and traditionally the Speaker does not vote.

But to get real protection against tax increases you do need the three fifths, and, as the gentleman from Arizona pointed out, in many of the States that have tax limitation provisions it is two thirds, and in some it is three fourths. In the President's home State of Arkansas it is a three-fourths vote necessary for a tax increase, so a three-fifths vote, or 60 percent, is certainly stronger than the constitutional majority, but it is by no means as strong as many of the States have in their statutes or their constitutions.

I see that the gentleman from California has approached the rostrum, and I would be happy to yield to him and welcome him back to the 104th Congress.

Mr. RIGGS. I thank the gentleman from Texas [Mr. BARTON] for both his kind comments and his outstanding leadership on this extremely important legislative initiative.

The gentleman just a moment ago referred to—I cannot recall if he said famous or infamous gang of seven, but I can remember standing on this very floor in the wee hours of the morning, actually much later than it is now,

participating with my fellow gang of seven colleagues on the debate regarding the balanced budget tax limitation amendment in the 102d Congress, and I can tell the gentlemen—in fact I frequently relate this story back home, that that was probably my single greatest disappointment from my prior service in this distinguished body.

I recall though on that occasion one of the gang members, who has now gone on to greater heights in the other body as a junior Member from the State of Pennsylvania, holding up at a particularly poignant moment in the proceedings the photographs, little wallet sized snapshots, of his young children who now obviously are a few years older and making the point, as several of my colleagues did earlier, that we are really acting on their behalf and in their interests. We are talking about, of course, the future taxpayers of the United States of America who will inherit this enormous sum and growing debt that we, sad to say, have imposed upon them as a rather dubious legacy, one which, in fact, does indeed mortgage the future and diminish the economic opportunity they and their children will be able to realize.

So, that was a tremendous disappointment, and I also wanted to share with the gentleman that just today I fielded a few calls from the media saying, "Well, why is this really necessary? After all, you in legislative branch have the ability to ultimately adopt and enact a balanced Federal budget."

And I hasten to point out to those particular folks who—frankly they are the skeptics and the pundits who do not face the difficult decisions we will make in the days following our adoption of the balanced budget tax limitation amendment, but I point out to them that of course the Federal Government has the unique ability to make money, print new currency and to borrow more to continue its deficit spending ways.

I also point out to them that history, as the great teacher, shows us that basically anything Congress does can be undone, short of an amendment to the Constitution, and that has clearly been the case in the past, and prior efforts of the Congress, as the gentleman well knows, have been routinely circumvented by this body whether it is sequestration procedures or the Gramm-Rudman Act which effectively gutted over a short period of time but allowing us to continue our spendthrift ways.

The other thing I wanted to point out to the gentleman is that—he obviously knows, and he has been a leader in this body in terms of making this point frequently during this critical debate, and that is that we are not an undertaxed society. We need to make it difficult to raise Federal income taxes and to raise the debt limit.

As my colleagues know, I—again having the distinct honor and privilege of serving in this body before, and taking

a sabbatical away from the body, and now returning—I have a unique perspective on the matters that are deliberated in this body. I reflect back on that prior service, the 50 some odd town meetings I did the width and breadth of my Congressional District over that two year period, and I cannot recall a single occasion when a constituent came up and said “you know, Congressman, we really are an undertaxed society, and I would like to pay more taxes.”

□ 2230

To the contrary, as the gentleman well knows, with 42 percent of our economy going to some taxing authority or another, 21 percent of that, I believe the numbers are roughly, or about 19 percent of that, rather, is going to the Federal treasury, and we are spending the equivalent of about 21 percent, and, of course, running these enormous deficits. But with 42 percent of our \$6 trillion economy going to the taxing authorities, we are not an undertaxed economy. Furthermore, we have received a clear mandate from the American people to cut spending and taxes as well. In order to do that, the first step is clearly the gentleman's balanced budget and tax limitation amendment.

The other point I wanted to share with the gentleman is a few weeks ago I had the opportunity to go up to Baltimore. I obtained an invitation to go up and, actually a first for me, observe a focus group being conducted by a well-known research group, and it was quite an eye opener.

The purpose of this particular focus group, which we were able to observe through a one-way mirror, was to watch as ordinary Americans, and these were actually I believe above average in terms of their educational and economic backgrounds, but to watch the proceedings as they attempted to go through one of these exercises involving balancing the Federal budget.

They were provided I think with a three or four page list of all the discretionary spending items in the Federal budget and then asked to make specific programmatic spending cuts by going down that list. And after two hours of discussion, they had not agreed on a single specific spending cut, illustrating the difficulty of our challenge ahead. They were able, after another hour or so of conversation, to finally agree on across-the-board spending cuts, which is frankly something we are going to have to consider in this body I think in order to meet our mandates and in order to comply with the balanced budget tax limitation amendment.

But it was a very revealing experience for me and a very sobering drive back from Baltimore to the Capitol as a result.

But in the course of that conversation, one of the folks in the room said “if we all ran our personal finances like the government, we would all be bankrupt,” reminiscent of the wonder-

ful movie “Dave,” where the accountant is brought in to look at the Federal Government's books, and said, “Who did these books? If I did my books like this, I would be out of business.” The point being that, you know, the time has come to impose some very real constraints, a sense of restraint on what we do back here with the Federal taxpayers' dollars.

Previous attempts short of the constitutional amendment approach have not worked. It is very clear that in enacting the constitutional amendment, the balanced budget requirement, we have to create, as the gentleman has put it, a disincentive for raising income taxes.

So I commend the gentleman, and urge him on in his efforts tomorrow, which I fully intend to support on this floor, in the hope that ultimately we will do the right thing and we will show to the American people at the conclusion of the debate tomorrow by our votes as we stand and ultimately become accountable that we really did get the message from the voters last November, and that we really are serious about rearranging and ultimately reducing the size, the scope, and the cost of the Federal Government.

Mr. BARTON of Texas. I thank the gentleman from California, and again cannot express in the most positive terms how delighted we are to have him back serving with great distinction in the body.

The hour is getting late. I would be happy to recognize the gentleman from South Carolina for some brief remarks, so we may hopefully soon conclude.

Mr. GRAHAM. I was very intrigued by the gentleman from California's comments there. I think they are right on point, especially the comment from the constituent or the lay person that said if we ran our affairs like you do up here, we would be bankrupt.

Would the gentleman agree that if the American public ran their affairs like we do up here, that they would go to jail?

Mr. BARTON of Texas. I would agree with that in a fiduciary sense. No co-operation in America could utilize its assets and abuse its borrowing privileges like we have here in Washington the last 30 to 40 years.

Mr. GRAHAM. The essence of this debate I think comes down to this point: During your dissertation a while ago you made some very important points that I didn't realize, that I believe you said for the first time 30 years ago, in 1964 and 1965 era, that the entire Federal budget was less than \$200 billion. Is that correct?

Mr. BARTON of Texas. We reached the \$100 billion spending mark at the Federal level in 1961 or 1962, and in the current fiscal year, it is expected we will expend just for interest on the national debt, over \$225 billion. So we now pay more in interest than the entire Federal budget was in the early 1960's.

Mr. GRAHAM. I believe the gentleman stated further that during that period of time the national defense sector spending has increased by 1300 percent.

Mr. BARTON of Texas. Thirteen hundred percent since 1964. This year we are expected to spend \$1 trillion, which is 1 thousand billion, \$531 billion. Those numbers are from President Clinton's Office of Management and Budget. Those are not the Republican numbers, but the official budget numbers of the President of the United States.

Mr. GRAHAM. Would the gentleman agree with that tendency in place, the ability to spend far more than we make and it is escalating at monumental proportions, that if there ever was a time to have a three-fifths majority vote it is now, and could you comment on the likelihood of balancing the budget with tax increases if we don't have the three-fifths majority?

Mr. BARTON of Texas. If the gentleman would yield on that point, in the early 1980's, then President Reagan accepted a tax increase with the understanding for every dollar of taxes that were increased, there would be \$2 of spending cuts. Well, we got the tax increase, but we got \$1.58 of spending increase for every dollar of tax increase.

We have researched that back to the mid 1940's. And in no year have we seen when a tax increase was passed, that the next year the spending cuts materialized. In the time that I have been in the Congress, and I was elected in 1984 and sworn in in 1985, we have eliminated in its entirety one Federal program, the Urban Development Action Grant Program.

Now, we have reduced some in real terms, but in every year Federal spending in the aggregate has gone up, and it has averaged over \$50 billion a year increase in the time I have been in the Congress. And in the nineties it has averaged over \$65 billion a year. I don't know about the gentleman from South Carolina or the gentleman from New York or California or Indiana, but in my family household, if I had an extra sixty or seventy billion dollars a year, I believe I could get by. I believe I could make it. And yet we talk and talk and talk about making the tough choices and cutting spending. The reality is in almost every case in Washington, that is a phony game. We take the baseline, adjust it for inflation, adjust it for growth, adjust it for unanticipated consequences that may never occur, and then say that is what we would really like, but we will take 10 percent less than that, and they end up with 10 or 15 percent more than they had the year before.

There have been years when the average Federal program had a net increase after inflation and after growth in the economy of over 13 percent. Yet we still cry out about needing more revenue. That is simply not the case.

I am going to conclude this special order, if none of the other distinguished gentleman wishes time, by

simply stating the obvious: Tomorrow is a historic occasion. For the first time in over 200 years, we have a real opportunity to amend the Constitution of the United States to require a Federal balanced budget, and to do so in a way that we would cut spending and not raise taxes by adding a three-fifths requirement for a tax increase.

□ 2240

Thomas Jefferson, one of our founding fathers, the author of the declaration of independence, rued the fact that when the constitution was adopted in 1787, it did not have a requirement that the budget be balanced. In the modern era, it is, I think, factual to state that if we do not amend the constitution to require a balanced budget, we will never have a balanced budget.

When our current President's economic advisors state that there is not even an attempt to get to a balanced budget and that balanced budgets do not count and that under the most rosy scenario, the budget deficit begins to climb next year and climb to infinity after we get to the millennium in the year 2000, it is absolutely imperative that we act now.

This dialog, colloquy that we have had this evening on the House floor is not an exercise in academic opportunism. We are going to vote on the constitutional amendment to require a balanced budget with a tax limitation provision tomorrow morning between 11 and 12 o'clock Eastern Standard Time. And if 290 Members of this body vote in the affirmative, we will have passed it. If less than 290 vote in the affirmative, we will have 4 other amendments that are made in order and whichever of those 4 gets the majority vote will be the vote on final passage for the two-thirds requirement sometime early tomorrow evening.

This colloquy this evening on the House floor has the potential to go down in history as the most important colloquy that has ever been heard in this chamber in terms of fiscal responsibility. It is not of the same significance as declarations of war, which we have had in the early 1940's and some of those types of debates, but in terms of fiscal responsibility and our children's future to have the same type of economic opportunity that we have had, it is important.

If the American people agree with the distinguished Members that have participated with us this evening of its importance and if they take advantage of the opportunity to express their serious demand that we pass the tax limitation balanced budget amendment, we will do so.

I want to thank the gentleman from New York for having the first special order and the gentleman from Indiana and the gentleman from South Carolina and the gentleman from California and all the other distinguished gentlemen and gentlewomen that have participated this evening and simply ask that they really search their consciences and come prepared tomorrow

to exert every effort in a positive way to pass this historic amendment.

THE LINE-ITEM VETO

The SPEAKER pro tempore (Mr. GEKAS). Under the Speaker's announced policy of January 4, 1995, the gentleman from Wisconsin [Mr. BARRETT] is recognized for 15 minutes.

(Mr. BARRETT of Wisconsin asked and was given permission to revise and extend his remarks.)

Mr. BARRETT of Wisconsin. Mr. Speaker, I come before the House and I welcome my new colleagues on the other side of aisle who are here tonight and I ask them to stay so perhaps we can listen to some of the comments I want to make on the important issue that we are going to be facing in the next two weeks, which is the line item veto.

I am a supporter, Mr. Speaker, of the line item veto, because I think it is an important tool that the President should have to help us control the runaway spending that we have seen in this country over the last 30 years.

But I am very troubled by what I have seen in the committee that I serve on, the Government Reform Committee, by what is occurring there, because I think that the Government Reform Committee, under the new leadership of the Republican party, is only dealing with half the problem.

The problem that the new leadership is dealing with is the problem of spending, pork barrel spending in appropriations bills that I believe should be taken out.

I think that the President should have the authority with the line item veto to remove pork barrel spending from appropriation items.

I also feel very strongly, though, Mr. Speaker, that the President should, in addition to having the power to remove pork barrel spending, that the President should have the additional power to remove tax expenditures or special tax breaks that are given through our Tax Code as well.

This is not a new concept. In fact, because I am relatively new in the House, I thought it would be smart for me to draw on some expertise of far more learned Members of this House to try to come up with the language to make sure that the people in this body do not use our Tax Code to create what are in essence tax expenditures and lowering the amount of money we have in our treasury and increasing the size of our national deficit and our national debt through the Tax Code.

So the perfect person to call on in order to come up with the exact language is the former minority leader, Mr. Michel, a person who was very well respected throughout this institution, who also was very concerned with this issue.

He raised this issue last year in the expedited rescissions bill that we considered. Actually it was in 1993, as I recall, but he was concerned with this

provision as well, this issue as well. So he created an amendment that he offered to the House that made it possible for the President of the United States to also use his line item authority to get rid of targeted tax breaks.

I would like to spend several minutes, if I could, reading from his testimony or his colloquy on the floor because I think it was very powerful, and unfortunately, I think that the Members of his own party today in our committee ignored his very own advice, even though the Republican Members of this House unanimously supported his amendment when he offered it just a short time ago.

Now I am reading verbatim from Mr. Michel's statements which were given on this floor not long ago.

Mr. Chairman, I rise today to offer my amendment to the real legislative line item veto proposal offered by my colleagues. My amendment adds an additional dimension to the debate. Should the President be allowed to strike special interest tax provisions from tax bills in addition to appropriations from appropriation bills? I believe that the President should be given this additional authority.

I am amazed and obviously very gratified that this issue has gained so much momentum. I began the drumbeat earlier this year after seeing the number of special interest tax provisions contained in last year's tax bill, H.R. 11. That bill was vetoed by President Bush due to the sheer weight that it gained through the legislative process here in Congress.

As you know, that bill initially was the vehicle for the enterprise zone provisions in response to the Los Angeles riots.

By the time it was on the President's desk, it was a huge bill containing over 50 special interest provisions. My understanding is that the cost of the special interest provisions exceeded the cost of the supposed cornerstone of that bill, the enterprise zone provisions that we all thought was the real reason for our having considered that particular tax bill.

Several weeks ago during initial consideration of this matter, a group of freshman Members on the Democratic side of aisle asked that an amendment be made in order to the base bill that included presidential authority to repeal tax expenditures. There was also an effort by members of the Committee on Appropriations to give the President such authority. They, like myself, have been precluded from raising the tax issue in the base bill.

Now, you are going to hear several arguments why you should not vote for this amendment. You will hear that it is uncertain what I mean by the term 'targeted tax benefits.' Well, I can assure you I know one when I see one, and so do you. I am talking about special interest tax items, tax pork, tax loopholes, tax carve-outs, Members' projects, special tax exemptions, et cetera, et cetera.

I am talking about tax goodies, the kind of things that insiders get in abundance and the regular taxpayers get in the neck.

I am talking about a wind and a nod and a nudge and all the other political insider body language that says, give me a break because I am somebody special.

There are big, big bucks associated with these sweetheart tax provisions, believe me. If you agree that the President should not be held hostage to special interests and tax bills as well as appropriation bills, then support